

UNITED STATES DISTRICT COURT
SOUTHERN DISTRICT OF NEW YORK

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ABELINO B. RAMIREZ,

Plaintiff,

-against-

AMINA 50, INC. (d/b/a PESCATORE
RESTAURANT), CHARLES DEVIGNE, and
EVOO GROUP, LLC,

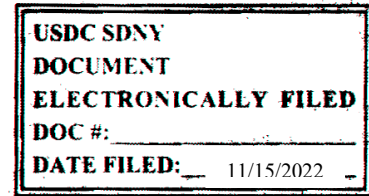
Defendants.

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VALERIE FIGUEREDO, United States Magistrate Judge:

In this action under the Fair Labor Standards Act and the New York Labor Law, which is before this Court on the consent of the parties pursuant to 28 U.S.C. § 636(c), the parties, having reached an agreement in principle to resolve the action, have placed their proposed settlement agreement before this Court for approval. See Cheeks v. Freeport Pancake House, Inc., 796 F.3d 1999 (2d Cir. 2015) (requiring judicial fairness review of FLSA settlements).

On September 16, 2022, the parties submitted a joint letter motion for approval of their proposed settlement agreement (the “Agreement”). See ECF No. 57-1. The parties have also submitted a joint letter detailing why they believe the Agreement is fair, reasonable, and adequate. See ECF No. 57. This Court has reviewed the parties’ submissions in order to determine whether the Agreement represents a reasonable compromise of the claims asserted in this action, in light of the totality of the relevant circumstances, including the representations made in the parties’ letter and the terms of the Agreement. For the following reasons, the parties’ motion is **DENIED** without prejudice to renew.



15-CV-09448 (LAK) (VF)

ORDER

The Agreement contains a liability release clause which the Court finds improper in two aspects. First, the release of liability for Plaintiff and Defendants is not mutual. See Garcia v. Good for Life by 81, Inc., No. 17-CV-07228 (BCM), 2018 WL 3559171, at *3-4 (S.D.N.Y. July 12, 2018) (noting that releases must be mutual). Under the Agreement, Plaintiff:

“expressly waives . . . any and all charges, complaints, claims, causes of actions, suits, debts, liens, contracts, rights, demands, controversies, losses, costs and or expenses, including legal fees and any other liabilities of any kind or nature whatsoever, known or unknown, suspected or unsuspected, whether fixed or contingent . . . which Plaintiff at any time has, had, claims or claimed to have against Defendants relating specifically to the claims in the Litigation that have occurred as of the Effective Date of this Agreement”

Agreement ¶ 4. However, Defendants only “release and discharge Plaintiff from any and all known claims, and liabilities of any kind that they have, had, or claimed to have against Plaintiff relating specifically to the claims in the Litigation that have occurred as of the Effective Date of this Agreement.” Id.

Next, the release clause is overbroad as it improperly releases from liability numerous entities beyond Defendants. See Lara v. Air Sea Land Shipping & Moving Inc., No. 19-CV-8486, 2019 WL 6117588, at *2 (S.D.N.Y. Nov. 18, 2019). Namely, the clause discharges Defendants, “and for each of them, their heirs, successors, assigns, affiliates, parent organizations, subsidiaries, directors, owners, shareholders, members, agents, attorneys, legal representatives, and managers.” Agreement ¶ 4.

As such, the Court denies the parties' motion for settlement approval without prejudice to refiling a revised settlement agreement that amends the release provision, as indicated above.

Upon submission of a revised settlement agreement, reflecting these changes, the Court will approve the settlement agreement as fair and reasonable.

SO ORDERED.

DATED: New York, New York
November 15, 2022

A handwritten signature in black ink, appearing to read 'Valerie', written over a horizontal line.

VALERIE FIGUEREDO
United States Magistrate Judge

Copies to:

All counsel (via ECF)